

B8595HC
2.E57-2
Copy 1



south carolina
STATE LIBRARY

Ensuring Financial Stability and Success of the South Carolina State Library: Design, Implementation and Management of a New Financial System (SCSL Financial Dashboard)

Paula M. James
Director of Finance
South Carolina State Library
pjames@statelibrary.sc.gov

January 5, 2012

Certified Public Manager Program
Class of 2012

S. C. STATE LIBRARY

JUL 26 2012

STATE DOCUMENTS

Ensuring Financial Stability and Success of the South Carolina State Library: Design, Implementation and Management of a New Financial System

Table of Contents

Introduction	3
Project Purpose and Problem Statement	6
Data Collection, Analysis and Design	7
Implementation and Management	10
Review and Findings	11

List of Appendices

Appendix A: Intranet and Financial Dashboard

Appendix B: Survey and Results

Appendix C: Comparison of Unreported Expenses for FY' 2011/2012

Introduction

In 2005 the State Library, under the direction of Director Jim Johnson, set its mission as

Improving library services throughout the state to ensure all citizens access to libraries and information resources adequate to meet their needs. The State Library supports libraries in meeting the informational, educational, cultural, and recreational needs of the people of South Carolina.

The agency did not have a formal budgeting process in place. Internal purchase requisitions were submitted as items were needed and those items were approved by either the Agency Director or the Finance Director. This budgeting style worked for the agency at the time because both the Agency Director and Finance Director knew the agency very well, the agency had not changed strategic direction or taken on any new projects from year to year. The budgets for the years tended to stay somewhat predictable and stable.

In 2006 the agency had a change in leadership with a new Agency Director, Patti Butcher. Under her leadership the mission of the State Library changed and became:

To provide, advance and promote excellent library services and equal access to information for all South Carolinians.

Even though the strategic direction and mission of the agency shifted the budgeting style did not. The agency did not have any formal budgeting process. I began working at the South Carolina State Library in 2006 as well, as the Senior Accountant. From my perspective, I felt that our budgeting process was inadequate because the agency never really knew how much money was obligated at any given time. We spent our funds as we had historically spent them, expending the same amount on the same things which didn't lead to any new or changing projects. Additionally, we had a "spend down "of any remaining funds at the end of the state and federal fiscal year. This led to the purchasing of several big items that were not necessarily sound purchases. I felt that our agency was not very competitive but, because of the stable economy and business as usual approach, we were able to get by with the processes and procedures that we had in place, even though they weren't effective or considered best practices.

In 2007 and 2008 we had another significant transition in our agency with a new Agency Director and the addition of new positions. We had some changing positions, as well. I was promoted to Finance Director in 2008. The culture of the agency began changing, we began to see budget reductions, the new Agency Director developed a strategic plan, and for the first time since I arrived at the agency we began to take on projects that were new, different, and required the departments to set a budget. Under the changing leadership of David Goble our mission changed and took shape, it became:

We optimize South Carolina's investment in library and information services. We do this by:

Supporting good governance for South Carolinians through the provision of research and information services to elected officials and state government personnel.

Providing equal access to information for all South Carolinians.

Ensuring collaboration and cooperation among information providers and cultural institutions.

Defining standards for libraries and librarianship that promote professionalism and excellence among library personnel statewide.

Providing and promoting superior library and information services through research, development and implementation of leading edge practices.

Advocating for innovation and learning in order to create a better informed and more highly skilled South Carolina citizenry.

As the new Finance Director, I knew it was my responsibility to move the agency forward by providing a budgeting process and budgeting tools that would allow for project management by Department Managers and others throughout the agency. The agency leadership would also need to know fund balances and all agency financial obligations. I created a budgeting process that began before the start of the fiscal year and included all budgeted items the Department Managers would need to carry out any projects or general supplies for operating their respective departments within the agency. These budgets were put into various excel spreadsheets called the "Internal Purchase Requisition log" that I have managed over the last

three years. Over the three year period the budget was adapted and continued to evolve to try to accommodate the changing needs of the agency. I also worked to develop a monthly budget report by department, for the Agency Director and Managers which was housed on the agency's intranet so that we would know at any given time where we stood as an agency. This enabled us to make decisions effectively on new projects and avoid a spend down at the end of the year. I felt at the time that we were tracking all of the information that we needed and for the first time that we had a grasp on how much money we had, where it was allocated, and how much we had consumed.

Project Purpose and Problem Statement

All of this work for three years should have paid off. We should have had well managed budgets, with minimal unreported expenses or unexpended funds at year end and we should have been able to clearly document the projects we worked on and how much of the overall funds went to those projects. The purpose of this CPM project was to investigate why this was not the case and to implement a change so that we could receive the results that the agency needed. The agency cannot effectively budget and operate during a normal fiscal year without the proper tools to do so. The impact on the agency without good budgeting practices is ineffective projects that do not meet the needs of the citizens of South Carolina and do not meet our strategic goals as a state agency. During bad fiscal years with budget reductions, layoffs, and furloughs, ineffective budgeting practices lead to more furlough days than

necessary, possible layoffs that could have been avoided and rash decisions on the cutting of programs and projects based on the outlook of the budget at the time decisions are made.

Data Collection, Analysis and Design

To begin I focused on finding the answers to four questions:

1. What do the Agency, Departments and Project Managers need from a financial tracking system?
2. Where will a new financial tracking system be housed?
3. What potential changes in procedures or responsibilities would be created or remedied by a new financial tracking system?
4. What do I need as the Finance Director in a financial tracking system?

Over a six month period, I began meeting with the Leadership within our agency to focus on the answers to these questions. Through meetings with each department it became clear that 100% of the leadership felt that they could get the financial information they needed and could get accurate information. The problem was they felt they could only get it by going through me. The consensus was that the IPR log contained the information they needed but was not user friendly and did not meet the needs of the average user. The monthly budget updates were somewhat user friendly but were not useful because it was not real time data. All of the Department Managers were in agreement that the budget updates were hard to find on our

intranet because it had become a dumping ground of both old and new information and there was not a formal process for placement of any documents within the intranet. The Department Managers also felt that when creating the budgets for the year it was hard to envision all of the services and materials they would need which lead them to simply duplicating the previous year's budget and as new projects came up they would add them in the middle of the year as an unreported expense.

After meeting with the Agency Director, Department Heads, and key Project Managers it was clear that the information being provided, while a step in the right direction, would require an overhaul to be useful in successfully moving the agency forward. The Director of the South Carolina State Library, David Goble, felt he needed a "dashboard" of financial information. He wanted to have updated snapshots of our financial status at his convenience. The Departments needed more in-depth information such as how much had been allocated to their department and how much had been spent. The Project Managers needed even more in-depth information. The Finance Department also had specific requirements in a financial tracking system. I needed to be able to track all sources of funds and make recommendations to Senior Leadership based on trends, return on investment, and other factors. While I could get the information out of the old system I created, it was not a quick at your finger tips method and much of what I needed to calculate was manually done which is open to human error.

After collection and analysis of the data, I chose a “test” department to use in the creating and design of a new financial tracking system, the agency “dashboard”. I chose the Library Development department to use because they are a very project oriented department to which we allocate a large percentage of our funds based on the services they provide. They also offer a uniqueness that I hoped would flush out some of the issues we may encounter early on with an implementation. We took the budgets that had been created from fiscal year 2011 and reorganized them into distinct projects which we had not done in the past. We then added the funding streams that would be needed. Next, we compiled the agency’s base budget by fund. With the help of our Web Administrator, Rob Lindsey, we created a database that housed all of the information. In the design, I decided to use a layered access to information. The first financial page of the dashboard is the agency and department budget using only graphics. A user has the option to “drill down” into the financial information to get to the most detailed perspective. The dashboard was also created with the ability to export any of the data directly to an excel spreadsheet. Animation was added to the graphics so that if a department spent more funds than was budgeted the pie chart/graphic would be replaced with a stop sign that says “please contact your Finance Department”. After loading and testing the information in the test database I began working with one department at a time, using the same process to move their budgets to the newly created dashboard.

Shortly after becoming Finance Director at the State Library, I had designed a new layout for our intranet. I took the designs with me as I met with each department to solicit feedback on what they thought was good about the design, what they needed added or changed, and what they felt overall should be housed on an intranet. The Information Technology Department took my designs after making some changes and recommendations from agency staff and created the new intranet.

Implementation and Management

Once the new intranet was operational we moved the agency dashboard over to the intranet and began using both of them (Appendix A). The agency dashboard was operational by July 1, 2011, the beginning of the new fiscal year 2012. An obstacle I faced early on was participant buy-in from employees that were not budget oriented. With that fact in mind, I worked with each department and key staff members to show them how to optimize use of the new dashboard and how to access their department budgets using the intranet. I also showed them how to view the agencies overall budget by fund. The main focus on how to use the dashboard was how to get as little or as much information, so that it could be used in any way the user needed. The agency has been using both the intranet and dashboard for seven months now. We continue to add new features such as graphs and charts that display commonly needed information for our agency. The State Library strives to achieve innovated ways to institute programs and projects at low cost using internal resources. We are proud to say that this

project was created, implemented, and managed by using only staff time as an expense. The dashboard will continue to evolve and grow into a financial system that can be used for many years by the State Library.

Review and Findings

The true test of whether this financial tracking system is a success, is not just simply the ease of which the end user can access information, but does the system I created provide the transparency necessary to improve accountability in such a way as to lead to the reduction of unreported expenses versus previous years, the reduction in total funds for “spend down” at year end, and the total amount of funds returned unspent by departments. To find out if my project was successful I conducted surveys, met with and interviewed various levels of staff within our agency and measured data from comparable six month periods. I used the time frame of July 1, 2010 through December 31, 2010 (fiscal year 2011) of the old financial system and the time frame of July 1, 2011 through December 31, 2011 (fiscal year 2012) of the new financial system.

Using Survey Monkey (www.surveymonkey.com), I surveyed all of the Department Managers, Senior Leadership, and Agency Director utilizing questions that compared the old financial tracking system to the new (Appendix B). When asked if the dashboard was easy to use and if given the choice would you prefer the old IPR log or the new dashboard, one

hundred percent said it was easy to use and they would prefer to use the new dashboard. Seventy-five percent polled said that they could always manage their department budgets effectively using the dashboard with twenty-five percent saying sometimes they could manage the budget effectively. When surveyed if the user felt that they knew more or less about the agency's financial status, one hundred percent said they knew more. When asked if the department budget was easily accessible from both the new intranet and dashboard, one hundred percent said it was easily accessible. Those surveyed were also given the opportunity to make comments or suggestions. Those responses are also available in Appendix B.

In comparing data for the six month period on the number of unreported expenses (Appendix C), forty-six unreported expenses were documented with the IPR log in fiscal year 2011; only eight were documented for that same time period in fiscal year 2012 using the dashboard. The dollar amounts attributed to those same numbers were \$ 14,966.59 in 2011 using the IPR log and \$2,138.17 using the dashboard in 2012. Although I cannot definitely say what the dollar amount of unspent/overspent funds will be at the close of fiscal year 2012, using the data from the unreported expenses, it can be inferred that the dollar amount of unspent/overspent funds will be reduced because that amount is directly related to the number of unreported expenses and total amount of projects left unfinished at year end.

The dashboard has been an invaluable tool for the Finance Department and myself. We are able to reduce the amount of hours spent trying to compile data for decision based meetings,

quarterly review of unspent funds by departments, and quickly needed funding assessment by the Agency Director. I am able to redirect that time on other pressing issues within our agency.

We will continue to improve on the dashboard as we grow as an agency and our needs continue to evolve. This system will be able to easily accommodate our changing needs. I have received nothing but positive feedback about the new financial system and hope that it is my legacy left to this agency and the State of South Carolina.

Appendix A

Intranet and Financial Dashboard



Agency Calendar

MySCEmployee

SCSL Help Desk

Outlook Web Mail

Staff Development

statelibrary.sc.gov

Department Pages: Administration/Director
Communications
Electronic Resources
Finance/Human Resources
Information Services
Information Support Services
IT Services
Library Development
Talking Book Services

Welcome to The Den!

Info for State Employees

- [Caremark Health Resources](#)
- [Estate Planning](#)
- [Go Red for Women](#)
- [GSA Lodging Rates](#)
- [HR Weekly Podcasts](#)
- [Medco Health: Prescription Drugs and Benefits](#)
- [Online Registration for SCSL Workshops](#)
- [Prevention Partners](#)
- [SC Emergency Management Division](#)
- [SC Employee Insurance Program](#)
- [Start! Walking Program](#)
- [State Employees Association](#)
- [State Holidays](#)
- [WeSave Program](#)

SCSL Special Projects

- [SC E-Documents Work Space](#)
- [SC LENDS \(Evergreen\)](#)
- [SC Library Network Wiki](#)
- [Sunshine Central](#)

News Articles

- [Newspaper Articles](#)

Board Approved Policies

- [SC State Library Rules of Conduct \(pdf\)](#)
- [Statement on Educational Game Technology in Public Libraries \(pdf\)](#)
- [Public Use of the State Library Collection and Building \(pdf\)](#)
- [Collection Development Policy \(pdf\)](#)
- [Social Media Policy \(pdf\)](#)

Feedback

- [SCSL Anonymous Feedback Form](#)

This is the front page to the SCSL intranet

Columbia Weather





SC State Library Intranet

Agency Calendar

MySCEmployee

SCSL Help Desk

Outlook Web Mail

Staff Development

statelibrary.sc.gov

Department Pages: Administration/Director Finance/Human Resources IT Services
Communications Information Services Library Development
Electronic Resources Information Support Services Talking Book Services

[Home](#)

Library Development

[FINANCIAL
DASHBOARD](#)

[Library Development Budget](#)

Function

Coming Soon

Personnel

- Denise Lyons, Director of Library Development - dlyons@statelibrary.sc.gov, 734-6061
 - David Sniffin, Library Development Consultant - dsniffin@statelibrary.sc.gov, 734-8646
 - Jason Broughton, Workforce Development Trainer - jbroughton@statelibrary.sc.gov, 734-8576
 - Kathy Sheppard, Grants Coordinator - ksheppard@statelibrary.sc.gov, 734-8653

Relevant Documents

Don't see what you're looking for? Check the Library Development folder on your X:\ drive!

- [Library Directors Contact Information](#)

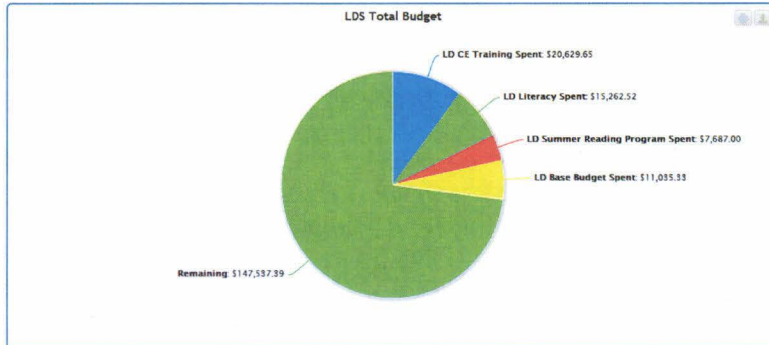
This is the Library Development Page on our intranet. In the upper left hand corner is the access point to the Financial Dashboard.

Back to The Den



Financial Dashboard Library Development Services

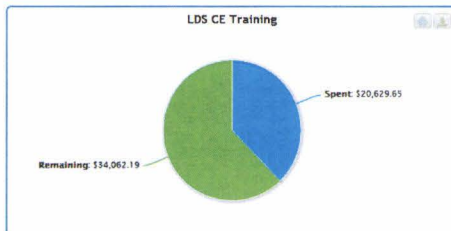
LDS Total Budget: \$253,643.06



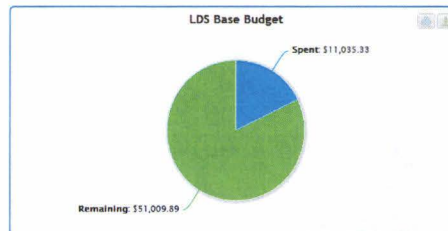
This is the first page of the Financial Dashboard for the Library Development department. Each Project is shown on this page through graphs with the ability to drill down into each individual project budget.

LDS Projects

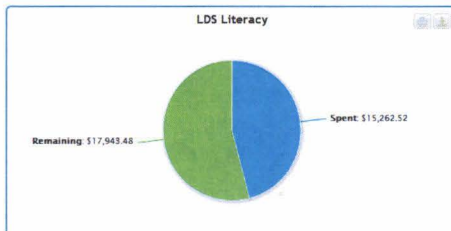
LDS CE Training: \$54,691.84



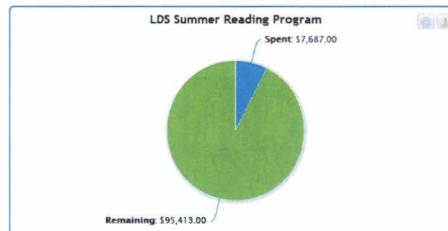
LDS Base Budget: \$62,045.22



LDS Literacy: \$33,206.00



LDS Summer Reading Program: \$103,100.00



LDS Workforce Development: \$600.00



Project: LD Workforce Development

 Item has notes

Line Item	Budgeted	Paid	Balance	Department	Cost Center	Fund	Project	Grant Code	Fiscal Year	LSTA	Category
SC Dept. of Employment and Workforce Symposium-Workforce Dev.	\$300.00	-\$0.00	\$300.00	Library Development	H870B00011	5055	LD Workforce Development	H8701LSTA011	SFY12	IIB	Travel and Reimbursable
SC Education and Business Expo- Workforce Dev.	\$300.00	-\$0.00	\$300.00	Library Development	H870B00011	5055	LD Workforce Development	H8701LSTA011	SFY12	IIB	Travel and Reimbursable

Export as CSV

This is a snapshot of the individual line items that make up the project budget for Workforce Development in the Library Development budget.

Library Development

SC Dept. of Employment and Workforce Symposium-Workforce Dev.

Field	Value
Budgeted	\$300.00
Paid	-\$0.00
Balance	\$300.00
Percent Remaining	100%
Cost Center	H870800011
Fund Code	5055
Fund Category	
Grant	H8701LSTA011
LSTA Code	II8
Project	LD Workforce Development
Category	Travel and Reimbursable
Fiscal Year	SFY12
Notes	

Field	Value
Date Created	2011-06-30
Last Edit	2011-06-30
Edited By	Rob Lindsey

[Edit This Line Item](#)
[Delete This Item](#)

This is a snapshot of the actual line item information that is available. If there had been a payment made to this line item it would reflect this information at the bottom under IPRs.

IPRs for SC Dept. of Employment and Workforce Symposium-Workforce Dev.

IPR Number	Date Submitted	Date Required	Date Paid	Amount	Status	Description	Fund	Grant	LSTA Code	Vendor	Reported
------------	----------------	---------------	-----------	--------	--------	-------------	------	-------	-----------	--------	----------

[Add New IPR](#)

Select Budget

Fund: ▾

Year: ▾

You can also view the Financial Dashboard by source of funds and other needed information. The tabs at the top of this page show you some of the options that you can search by.

Appendix B


Dashboard

Survey

www.SurveyMonkey.com



1. How easy is the dashboard to use?

 Create Chart  Download


		Response Percent	Response Count
Easy		100.0%	8
Somewhat Easy		0.0%	0
Somewhat Difficult		0.0%	0
Difficult		0.0%	0
answered question			8
skipped question			0

2. Does the Dashboard provide you with the information you need to manage your department budget effectively?


[Create Chart](#) [Download](#)

		Response Percent	Response Count
Always		75.0%	6
Sometimes		25.0%	2
Rarely		0.0%	0
Never		0.0%	0
answered question			8
skipped question			0

3. If given the choice, would you prefer the old IPR log or the new Dashboard? [Create Chart](#) [Download](#)

		Response Percent	Response Count
IPR Log		0.0%	0
Dashboard		100.0%	8
		answered question	8
		skipped question	0

4. Do you feel you know more or less about the agency's financial status overall now than this time last year?

 Create Chart  Download

		Response Percent	Response Count
More		100.0%	8
Less		0.0%	0
answered question			8
skipped question			0

5. Is your department budget easily accessible from both the new intranet and dashboard?

 Create Chart  Download

	Response Percent	Response Count
Yes	100.0%	8
No	0.0%	0
answered question		8
skipped question		0

6. Is there any comments or suggestions that you would like to make at this time?

[Download](#)

Response
Count

[Hide Responses](#)

5

Responses (5)

Text Analysis

My Categories (0)

GOLD FEATURE: Text Analysis allows you to view frequently used words and phrases, categorize responses and turn open-ended text into data you can really use. To use Text Analysis, upgrade to a GOLD or PLATINUM plan.

[Learn More](#)

[Upgrade »](#)

X

Showing 5 text responses

No responses selected

I haven't had much time to really make use of the dashboard yet - but it looks great and seems to work very well.

11/17/2011 4:08 PM [View Responses](#)

Great job by all involved!

11/15/2011 2:58 PM [View Responses](#)

We need an as of date or is always as of the date it is being viewed. Also can we get history? Can I go back to where we were as of August 1. GREAT JOB!

11/7/2011 10:03 PM [View Responses](#)

I cannot imagine going back to the old IPR log. Not only is the dashboard user friendly, but it is easy to understand and has all of the informaiton that I need available at my fingertips. Excellent job!

11/7/2011 3:14 PM [View Responses](#)

The dashboard is the best thing budget-wise this agency has ever had. Having been here for about 18 years, I've always been clueless about budget items and the dashboard makes it all much more understandable. Having the pie charts and sections to click on and see each line item really helps me do my job better.

11/7/2011 10:20 AM [View Responses](#)

answered question

5

skipped question

3

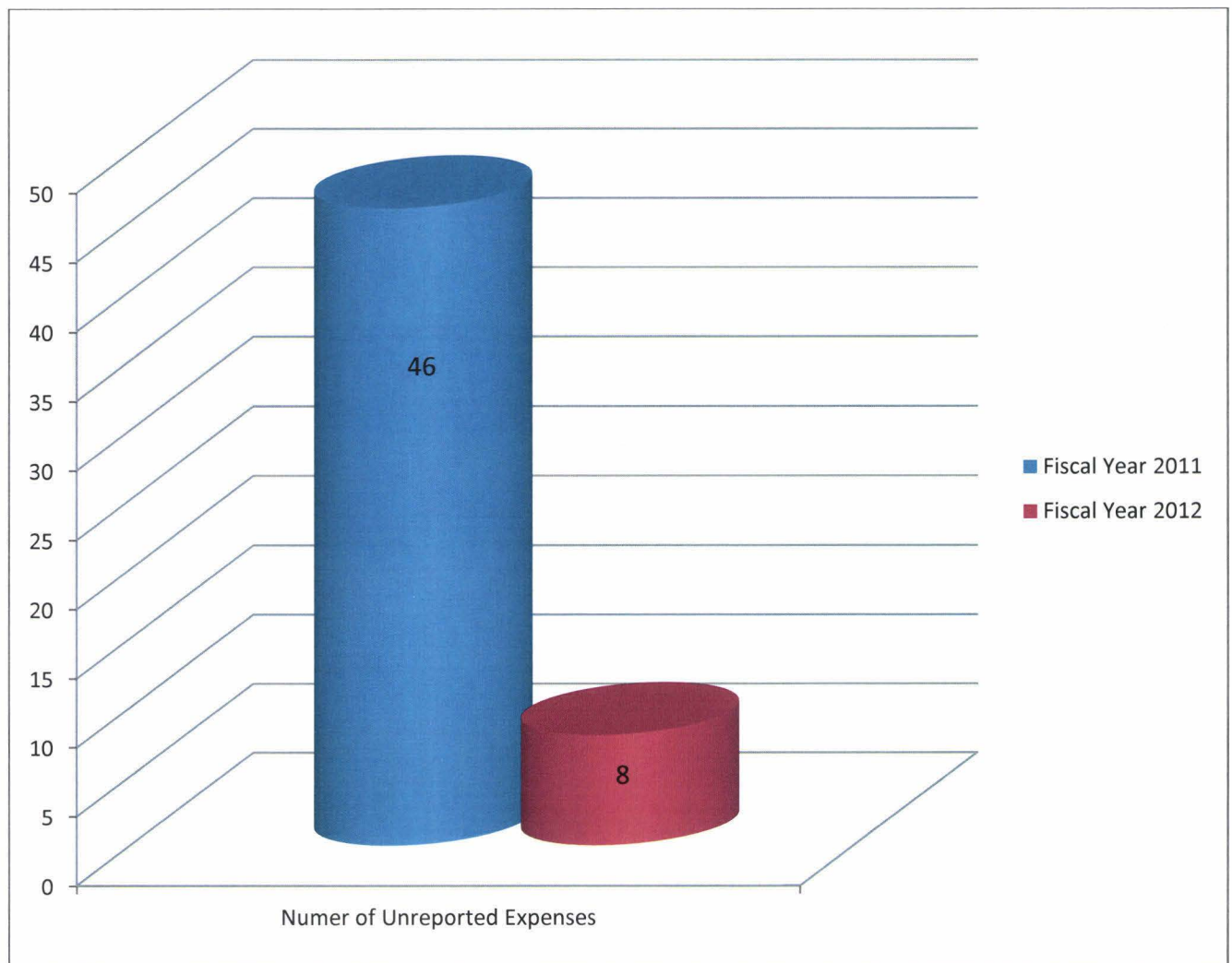
Appendix C

Comparison of

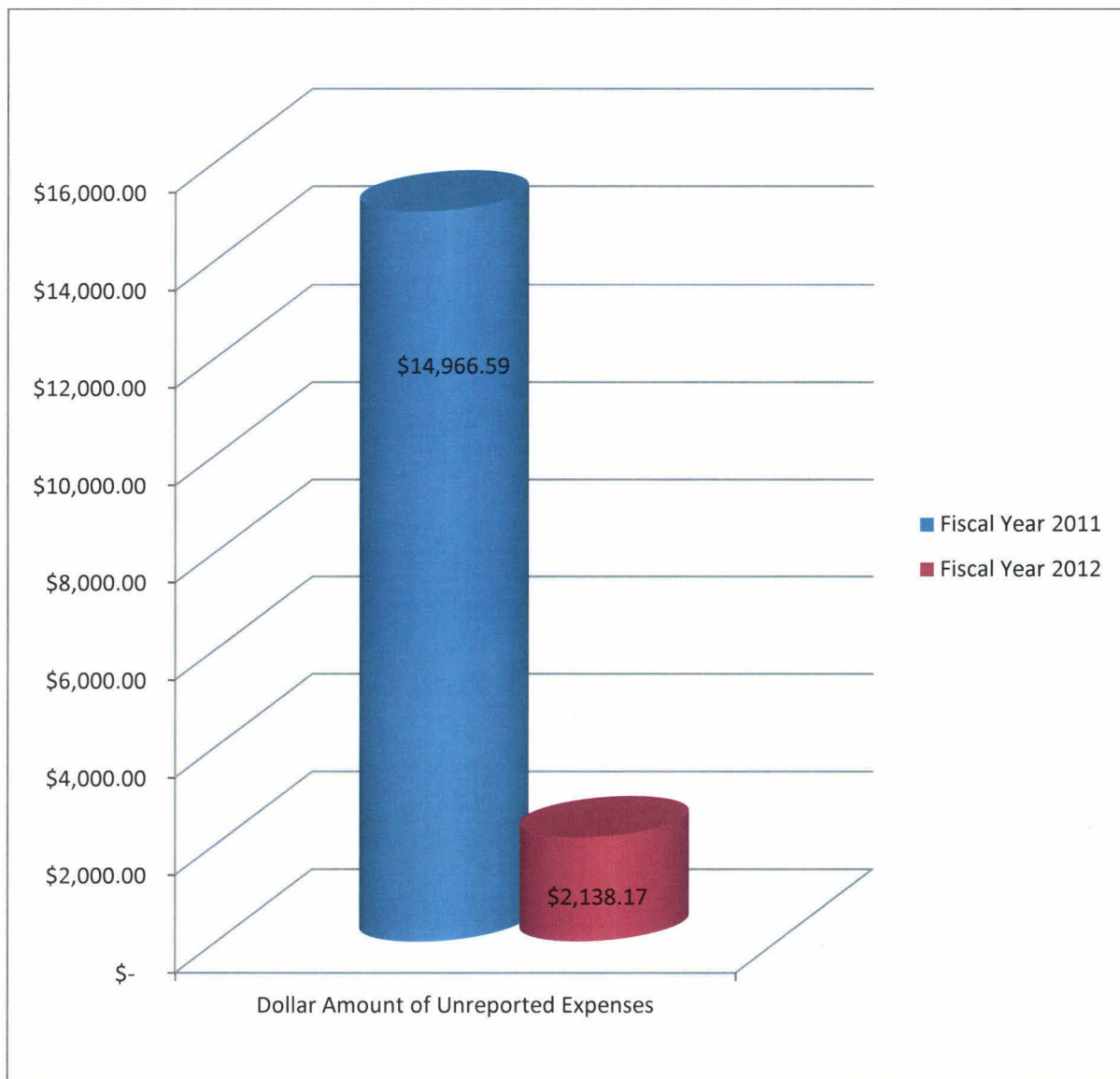
Unreported Expenses

for FY' 2011/2012

Comparison of Unreported Expenses for Fiscal Years 2011 and 2012 (Associated IPR's Submitted)



Comparison of Unreported Expenses for Fiscal Years 2011 and 2012 (Associated Dollars)



SOUTH CAROLINA STATE LIBRARY



0 01 01 0355138 7